GRETCHEN WHITMER GOVERNOR STATE OF MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

ORLENE HAWKS DIRECTOR



Date Mailed: April 26, 2019 MOAHR Docket No.: 19-003146 Agency No.: Petitioner:

ADMINISTRATIVE LAW JUDGE: John Markey

HEARING DECISION

Following Petitioner's request for a hearing, this matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and 400.37; 7 CFR 273.15 to 273.18; 42 CFR 431.200 to 431.250; 42 CFR 438.400 to 438.424; 45 CFR 99.1 to 99.33; and 45 CFR 205.10; and Mich Admin Code, R 792.11002. After due notice, a telephone hearing was held on April 25, 2019, from Detroit, Michigan. Petitioner appeared and represented herself. The Department of Health and Human Services (Department) failed to appear.

ISSUE

Was the Department's action taken with respect to Petitioner's Food Assistance Program (FAP) benefits case in compliance with law and Department policy?

Was the Department's action taken with respect to Petitioner's Medicaid (MA) benefits case in compliance with law and Department policy?

Was the Department's action taken with respect to Petitioner's Medicare Savings Plan (MSP) benefits case in compliance with law and Department policy?

FINDINGS OF FACT

The Administrative Law Judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

- 1. Petitioner had open FAP, MA, and MSP benefits cases.
- 2. At some point in March or April 2019, the Department took action with respect to Petitioner's FAP, MA, and MSP benefits cases.

3. On or about **2019**, 2019, Petitioner submitted to the Department a hearing request objecting to the actions taken by the Department.

CONCLUSIONS OF LAW

Department policies are contained in the Department of Health and Human Services Bridges Administrative Manual (BAM), Department of Health and Human Services Bridges Eligibility Manual (BEM), Department of Health and Human Services Reference Tables Manual (RFT), and Department of Health and Human Services Emergency Relief Manual (ERM).

The Food Assistance Program (FAP) [formerly known as the Food Stamp program] is established by the Food and Nutrition Act of 2008, as amended, 7 USC 2011 to 2036a and is implemented by the federal regulations contained in 7 CFR 273. The Department (formerly known as the Department of Human Services) administers FAP pursuant to MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3001-.3011.

The Medical Assistance (MA) program is established by Title XIX of the Social Security Act, 42 USC 1396-1396w-5; 42 USC 1315; the Affordable Care Act of 2010, the collective term for the Patient Protection and Affordable Care Act, Pub. L. No. 111-148, as amended by the Health Care and Education Reconciliation Act of 2010, Pub. L. No. 111-152; and 42 CFR 430.10-.25. The Department (formerly known as the Department of Human Services) administers the MA program pursuant to 42 CFR 435, MCL 400.10, and MCL 400.105-.112k.

In this case, Petitioner submitted a hearing request to the Department on or about 2019, contesting actions taken with respect to Petitioner's FAP, MA, and MSP benefits cases. In relevant part, Petitioner's hearing request stated, "I never received the redetermination letter in the mail I would like the form to be remailed out to me and I would be more than happy to complete it."

Upon receiving the hearing request, the Department put together a hearing summary and hearing packet and forwarded the matter to the Michigan Office of Administrative Hearings and Rules (MOAHR). In the section titled "Explanation of action taken and facts and fact sources used in taking action," the Department stated as follows: "Customer's FAP and MA were closed due to failing to return redet timely. It was found by Agency that customer turned in form timely, and only needed an interview. Customer has been interviewed resulting in reinstatement for both FAP and MA. Customer is now satisfied." Also included in the hearing packet were a copy of Petitioner's hearing request and a screengrab from a page in Bridges titled "Eligibility Summary." No other documentation was included. Notably, the hearing packet did not include any Notice of Case Action or Health Care Coverage Determination Notice.

Upon receiving the hearing summary and hearing packet, MOAHR scheduled the matter for a hearing before an Administrative Law Judge. A Notice of Hearing was issued to the parties on April 12, 2019, informing them of the hearing taking place on

April 25, 2019, at 10:30 am. The parties were informed that they were required to appear at a Department office to participate in the hearing. When Petitioner received the Notice of Hearing, she contacted MOAHR and requested to participate via telephone due to her physical limitations and provided a phone number at which she could be contacted at the time of the hearing. The request was granted, and the Department was notified of the change on April 16, 2019. On April 25, 2019, the Department was informed via email that Petitioner's hearing was ready to go and requested a phone number at which the Department could be contacted in order to participate in the hearing. The Department received that email and opened it well before the hearing time of 10:30 am. However, the Department did not respond to the message or otherwise provide a call-back number. The hearing was held in the Department's absence after providing the Department with 30 minutes to appear.

Clients have the right to contest a Department decision affecting eligibility or benefit levels, including termination of program benefits, when the client believes the decision is incorrect. BAM 600 (October 2018), pp. 1, 5. When a hearing request is filed, the matter is transferred to the Michigan Office of Administrative Hearings and Rules (MOAHR) for a hearing before an Administrative Law Judge. BAM 600, p. 1. In preparation for the hearing, the Department is required to send to MOAHR and the client a hearing summary. BAM 600, pp. 9-10, 24. The hearing summary is required to include a clear, concise statement of the case action taken, a chronological summary of events, and citations to relevant law and policy, amongst other things. BAM 600, p. 10. Additionally, a hearing packet must be prepared to send along with the hearing summary. BAM 600, p. 10. The completed hearing packet must include, at a minimum, the relevant Notice of Case Action or Health Care Coverage Determination Notice and a copy of all documents the Department intends to offer to support its action. BAM 600, p. 10.

At the hearing, the Department representative and client are tasked with presenting their respective cases with reference to the documents provided in the hearing packet or otherwise properly served under the Michigan Administrative Rules. BAM 600, p. 37. After hearing the evidence, the Administrative Law Judge has the duty to review the evidence presented and based on that evidence, determine whether the Department met its burden of proving that the challenged actions were taken in compliance with law and Department policy. BAM 600, p. 39.

Petitioner's hearing request concerned Department action taken with respect to three programs: FAP, MA, and MSP. The hearing summary produced by the Department only refers to FAP and MA and does not include a chronological statement of events or a clear statement of the actions taken. The hearing packet produced by the Department has only one page of what could even charitably be referred to as substantive documentation of the actions taken by the Department. Notably, the hearing packet does not include any notices of the actions taken. As the Department failed to appear for the hearing or prepare a remotely sufficient hearing summary and packet, it remains a mystery as to what actions were taken, when they were taken, and why they were taken.

As stated above, the Department bears the burden of proving that its actions were taken in compliance with law and policy when those actions are properly contested via a valid hearing request. Petitioner filed a valid hearing request contesting actions taken by the Department with respect to her MA, MSP, and FAP benefits cases. The Department presented zero evidence to substantiate its actions. Thus, the actions contested by Petitioner's hearing request are reversed.

The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department failed to satisfy its burden of showing that it acted in accordance with Department policy when it took action with respect to Petitioner's FAP, MA, and MSP benefits cases.

DECISION AND ORDER

Accordingly, the Department's decisions are **REVERSED**.

THE DEPARTMENT IS ORDERED TO BEGIN DOING THE FOLLOWING, IN ACCORDANCE WITH DEPARTMENT POLICY AND CONSISTENT WITH THIS HEARING DECISION, WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

- 1. Redetermine Petitioner's eligibility for MA, MSP, and FAP benefits back to the beginning of the new 2019 certification period;
- 2. If any eligibility-related factors remain unclear, inconsistent, or contradictory, follow Department policy in issuing verifications checklists that clearly request the information required;
- 3. Provide Petitioner with adequate written notice of its decisions that accurately convey to Petitioner the actions taken by the Department and the reason(s) for the actions.

JM/cg

Marke John Markey

Administrative Law Judge for Robert Gordon, Director Department of Health and Human Services

NOTICE OF APPEAL: A party may appeal this Order in circuit court within 30 days of the receipt date. A copy of the circuit court appeal must be filed with the Michigan Office of Administrative Hearings and Rules (MOAHR).

A party may request a rehearing or reconsideration of this Order if the request is received by MOAHR within 30 days of the date the Order was issued. The party requesting a rehearing or reconsideration must provide the specific reasons for the request. MOAHR will not review any response to a request for rehearing/reconsideration.

A written request may be mailed or faxed to MOAHR. If submitted by fax, the written request must be faxed to (517) 763-0155; Attention: MOAHR Rehearing/Reconsideration Request.

If submitted by mail, the written request must be addressed as follows:

Michigan Office of Administrative Hearings and Rules Reconsideration/Rehearing Request P.O. Box 30639 Lansing, Michigan 48909-8139

Via Email:

MDHHS-Wayne-19-Hearings M. Holden D. Sweeney D. Smith EQAD BSC4- Hearing Decisions MAHS

Petitioner – Via First-Class Mail: